2026 COMMERCE AND
PAYMENT TRENDS REPORT

Cascading Innovation:

How investments in payments are creating new opportunities and experiences

globalpayments

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Chief Executive Officer
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LETTER FROM CAMERON:

Executive insight

This is an industry where innovation and technological change are constants, and that pace of change continues to accelerate. In just the past few years, we have seen transformation in the way people order and pay thanks to the proliferation and transformation of self-service technologies and instant payments. Embedded finance tools are making a broad array of financial services possible in ordinary commercial transactions.

In the coming months and years, we expect further – and perhaps massive – changes in how people pay as agentic commerce activates the power of AI from search through purchase. In addition, we are seeing—especially in the US—significant interest in instruments such as stablecoins, which some large and multinational companies have begun to introduce.

Of course, for a trend to become a truly enduring part of the payment ecosystem, both business acceptance and consumer adoption have to come together.

Take the way POS has moved from the counter to mobile devices. This happened not because regulators demanded it, but because businesses found a use for it and consumers have embraced it. In areas such as instant payments, consumers have been the early adopters. Now, instant payments is also rewriting some of the rules of B2B commerce.

This does not mean regulatory involvement is unimportant or irrelevant. Constructive regulatory engagement and encouragement through standards-setting are essential to innovation. As we have seen in both instant payments and embedded finance, regulatory acceptance and standardization tend to support new products and services. We will see whether initial regulatory support for standards and rules governing stablecoins will meaningfully drive that trend forward.

In the end, for a technological leap to take hold, the confluence of consumer and business adoption is critical. That may argue for caution with some technologies, especially among small and medium-sized businesses (SMBs), as innovation budgets are not limitless. Past investments in trends that did not pan out—such as the metaverse—are a reminder that even promising ideas can sometimes fail to gain traction.

That said, innovation investments by businesses are a necessity. Businesses may be able to wait for proof of concept and some initial use cases, but rarely can they afford to ignore trends as they take shape. For example, the potential for agentic commerce to rewrite the expectations of ordinary commerce are real, but the benefits will flow initially to those businesses that are making the incremental investments necessary for agentic commerce to work.

This report provides an overview of the trends shaping the future of the payments industry. We recognize that constant change can be dizzying, and it is our goal to help our stakeholders understand what is coming and how to get ready. That way, everyone will have a place in our economy—even as it is being transformed by innovation, technological adoption and evolving consumer expectations.

CHARTING COMMERCE'S NEXT SHIFT:

Introduction

The nonstop change and transformation of payments can give off the impression of a deluge. In truth, the changes cascading through commerce are incremental and steady, and sometimes take years to develop. We see this throughout this survey, where some trends like embedded finance have been building momentum and others like agentic commerce are just in their infancy.

The common denominators are steady investment and attention by many stakeholders in the payment space. Whether they are large multinational enterprises or small and medium-sized businesses (SMBs), the decision-makers and innovators in commerce and payments are constantly probing the outer limits of what's possible. In self-service processes and technologies, we see a growing number of use cases and, importantly, greater consumer uptake. In instant payments, we see the exploration of B2B applications.

Bottom line: The 2026 trends we have identified reveal an appetite for efficiency and change—and wherever consumers are willing to go, businesses will charge ahead. The steady maturation of agentic commerce will be sure to test that pattern. After all, if consumers are going to trust AI agents to purchase for them, they will need to trust the underlying technology and the rules in case something goes wrong. Prior investments in other critical technologies for online commerce—especially tokenization and biometric security—can help secure that trust efficiently and effectively.

The bottom line is this: There are no "off" days for transformation in commerce and payments. Each new investment in creating a more seamless, secure and trusted relationship in payments leads to greater opportunities for innovation. It's a flywheel effect like no other, and our ***2026 Commerce and Payment Trends Report*** highlights six of the ways that ongoing innovation creates long and durable transformations every leader needs to understand.

THE RESEARCH FUELING OUR 2026 OUTLOOK:

Global insights from the experts

To create this report, we built a foundation of insight from two primary sources. First, we held detailed discussions with leaders deeply familiar with the major trends driving payments, consumer behaviors, B2B transactions and other major technologies.

These experts are decision-makers and leaders from leading financial institutions, businesses and payment networks. We also surveyed 600 global professionals who are involved in making decisions on issues related to technology investment and payments.

This combination of qualitative and quantitative insight provides a full spectrum of understanding how businesses are approaching the strategic value of the payment experience and related technologies.

HOW WE SEGMENT THE MARKET:

Defining business size

Throughout this report, we refer to three types of businesses: enterprises, which are defined as those with $1 billion or more in revenue; midmarket businesses, which have between $50 million and $1 billion in revenue; and SMBs, which have up to $50 million in revenue. These categories are based on definitions from Gartner[1]. We recognize that other definitions for business size exist, but these clearly defined categories allow us to focus our analysis and our survey. Here are respondents' answers regarding their revenue.

What is the annual revenue of your business?

ENTERPRISE

$10 billion or more	8%
$5 billion to less than **$10 billion**	16%
$1 billion to less than **$5 billion**	12%

MIDMARKET

$500 million to less than **$1 billion**	10%
$100 million to less than **$500 million**	16%
$50 million to less than **$100 million**	10%

SMBs

$25 million to less than **$50 million**	16%
$10 million to less than **$25 million**	13%
Less than **$10 million**	1%

TREND 1

AI is your shopping agent: Agentic Commerce is taking shape

In every sphere of business, AI is rewriting the rules of productivity and process. In commerce, the transformation is just beginning.

For many businesses, AI's initial application came in the form of AI-enabled customer service, where its natural language responses to consumer inquiries and personalized recommendations could lead to cost reductions and improvements in engagement. Some businesses have used AI to improve back-office functions such as demand forecasting and inventory management.

But in the past few months, AI's promise as an agent on behalf of consumers has started to take shape—and take off. Consumers have already discovered that AI can be a powerful researcher, collator and collaborator when it comes to searching for items and services.

Our own survey shows that business awareness of agentic commerce is high; 15% said they are very familiar and 72% said they are somewhat familiar.

Now comes the next part—where an AI agent makes the purchase without extra authorization or a requirement from the consumer to input payment details for each transaction. In short, AI is changing not just ***what*** people do in a transaction, but also who does it and ***when***.

With more adoption, testing and regular iterations, agentic commerce promises to deliver better customer experience, better customer service and better touchpoints for the business itself. But as with any technological leap in payment, there are some potential hurdles and pitfalls.

Business awareness of Agentic Commerce

“There’s going to be a lot of transaction automation—things like scheduled purchases, inventory-based ordering, smart subscriptions, and dynamic pricing.”

Mark Smith
Head of Payments
Amazon Web Services (AWS)

This could get big

The widespread adoption of AI—especially in the act of purchase—is momentous. Broadly speaking, agentic commerce could significantly reduce cart abandonment, which hits roughly two-thirds of all ecommerce sales.[2] It could create better flows of information between businesses and their customers to improve search and recommendations; strengthen loyalty programs; build automated flows of data to improve security and protect shoppers’ identities; and shorten the lag between shifts in demand and a business’s supply chains.

“AI has the power to meaningfully transform the customer experience into a process that feels personally curated and intuitive. Incorporating AI into the retail experience through customer-centric designs means focusing on what matters most: greater efficiency and speed, and a frictionless journey that eliminates endless scrolling or searching, companies that prioritize what matters most to consumers, as we enter this next era of commerce, will not only strengthen loyalty but also build more resilient businesses for the future.”

Ryan Loy
Chief Information Officer
Global Payments

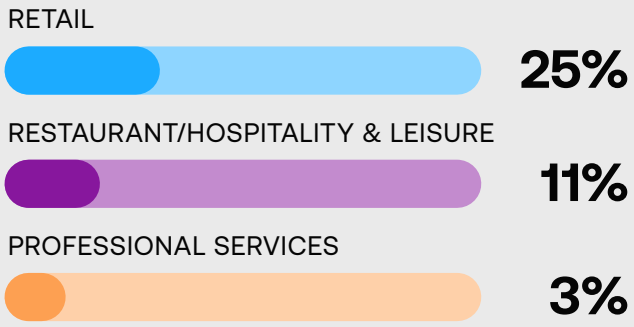
Several major players have built agentic commerce capabilities into their platforms. For instance, OpenAI’s ChatGPT agent can ask users to take over for tasks requiring logins or payment details. Merchants that fill orders through the chatbot will pay a commission on each sale to Open AI. More recently, Walmart formed a partnership with Open AI so that ChatGPT users can instantly and directly buy Walmart’s products—everything on its website other than fresh food.[3]

For its part, Global Payments has partnered with Google to enable agentic commerce using the Agent Payments Protocol. This enables Global Payments to provide secure, reliable and interoperable agent commerce to clients and partners.

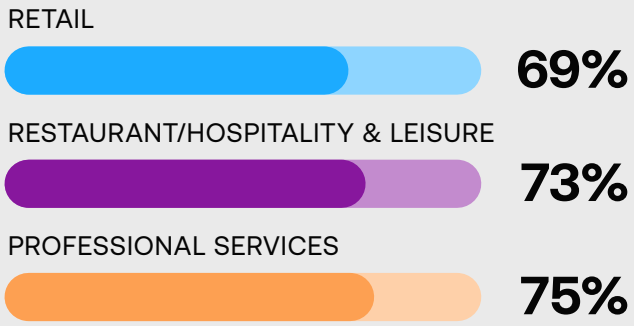
Both Visa[4] and Mastercard[5] have initiated a series of new products and services that are placing purchase orders without human intervention. Amazon’s Rufus large language model[6] is rapidly expanding to include AI-generated shopping guides to permit more product discovery and agentic commerce decision-making. And Walmart[7] has launched Sparky, an AI shopping assistant.

Business leader familiarity with Agentic Commerce by industy

Very familiar



Somewhat familiar



Demand is picking up

Small and medium-sized businesses have also taken note of the rise of agentic commerce. Our survey shows they are more likely to have seen agents make purchases on behalf of customers—42% of small and 45% of medium-sized businesses said they've seen it, while only 16% of enterprise-sized businesses reported the same.

> **People absolutely have been embracing using agentic technology for a whole variety of things, from the discovery to searching for things, so, your [AI] agent goes off, and it does a search, and it comes back and says, 'Yes, I found some tickets. Do you want me to purchase these for you?' I mean, how nice would it just be to say 'yes, please.'**

Mark Nelsen
Head of Global Consumer Products
Visa

On the consumer side of the economy alone, agentic commerce could create significant new opportunities for growth. A 2025 analysis by Bernstein[8] says agent-driven commerce could lead to additional conversion of 1.5% to 2.5% in global ecommerce sales—that would equal $240 billion in new revenue, or equivalent to six times the market capitalization of Target Corp.

There is another advantage to linking agentic search to agentic payment: The seller can get more information about what the consumer wants from the agent.

"Right now, if it's a new customer coming to an online store, the merchant has really no idea who that consumer is and what they're looking for, or what they're interested in," says Visa's Nelsen. "But because we allow the consumer to share their insights with the agents, the agent would be able to potentially share that insight with the merchant as well. What they're looking for, their age, gender, budget and past buying habits. There's tremendous value for the business in all that information, in addition to delivering on the sale."

Familiarity with agentic commerce is highest among retail-oriented businesses (25%) versus those in restaurant/hospitality (11%) or professional services (3%). In addition, 44% of retail businesses have seen customers adopt agentic tools versus 34% of all businesses.

“This is similar to the smart phone explosion of the mid-2000s, when a lot of companies had to optimize for mobile experiences, and then later, mobile checkout.”

Mark Smith
Head of Payments
Amazon Web Services (AWS)

Merchants bolt agentic onto payments

Adding payments to AI-enabled commerce was made possible by the introduction of specific back-channel technologies such as model context protocol and Agent2Agent protocol. These tools allow AI systems to talk to each other, coordinate, evaluate inventory, discover pricing and observe some controls set both by the consumer and the merchant. In essence, these innovations have turned AI agents and tools into interlocking gears of a common machine.

An important aspect to agentic commerce is that it learns and anticipates. The ideal AI-enabled shopping agent doesn’t just find you the best deal on the item you are looking for. It anticipates your needs and improves the search for the right item so the consumer gets more than she might have known she needed.

That’s why building the AI layer—including things like chat applications, tools to interact with voice assistants, generators of content for social media—is so critical. Businesses have to make themselves “open” to AI[9] so that people aren’t just asking agents to do something to save time. For agentic commerce to succeed, AI shopping agents need to produce a better outcome—saved time, a better selection, more choices—than a human would on their own.

The combination of data orchestration, cataloging, pattern recognition and application programming interface (API)-building required to make agentic commerce work is no small matter. Websites are built for people, not AI agents—so many businesses will have to transform their web properties.

“This is similar to the smart phone explosion of the mid-2000s, when a lot of companies had to optimize for mobile experiences, and then later, mobile checkout,” says AWS’ Smith.

Often, those most successful in implementing AI-driven offerings have done the necessary work to integrate AI into basic levels of the consumer’s experience—for example, in suggesting items based on prior purchases or deeper analytical insights. AI can replace manual manipulation and development of ecommerce content and may require that businesses optimize search for AI as well as for humans. Amazon, for example, has made it possible for retailers to use AI to generate more images of their products—a critical feature in online sales.

As agents start shopping, paying, and interacting for us, it's all about trust. That's why we're teaming up with industry partners to set clear standards —so everyone can distinguish the good agents from the bad actors[10].”

Sukhmani Dev
Head of Digital and Acceptance Products, North America
Mastercard

Everything that moves will be autonomous someday, whether partially or fully. Breakthroughs in AI have made all kinds of robots possible, and we are working with companies around the world to build these amazing machines.”

Jensen Huang
Chief Executive Officer
NVIDIA

Security and other key challenges

Security may be the sticking point—at least for now. Prior work in payment security and identity verification has tended to emphasize the importance of preventing sales to nonhumans. Now, the focus is on preventing bad actors from manipulating these agents.

As with other aspects of agentic commerce, prior work will make a difference in solving for the security challenge. A lot of security for agentic commerce will be similar to that used for digital wallets like Apple Pay or Google Pay.

“You are the human in the loop. You should be asked to validate what the agent is about to purchase on your behalf,” says Mastercard's Dev. “The agent should be able to share that data with Mastercard so that when we see the transaction come in, we can see there's a match. And then the bank or your financial institution should be able to see the parameters that the consumer used to instruct the agent for this purchase. And then comes confirmation from biometric authentication. So, it's not just a consumer directing an agent. It's all the confirmation that comes later.”

Here's how agentic commerce transactions will be protected for card-based payments: By using network tokens, a payment processor can swap out a card and identify a purchaser as an AI agent acting on specific, traceable instructions from a person. And with biometric tools like Face ID and similar technologies, everything can be authenticated quickly.

The key, says Visa's Nelsen, is to make the consumer's instruction part of the authentication process. When instruction to the AI agent is accompanied by some other security details, such as a fingerprint profile or facial recognition, it creates a self-referring control on which everyone—the business, the bank, the payment processor—can rely.

Such self-referring controls will be critical in any AI agent architecture since consumers—and businesses—will want to be sure that it's possible to rein in an AI agent that “goes rogue” and makes purchases that weren't properly authorized.

After all, consumer comfort requires a belief that if something isn't right, the business will make it right. A human still needs to be able to override error.

There may be yet another challenge: What if agentic commerce—just like traditional search—becomes subject to brand dominance and bias? If agents tilt the playing field toward those with influence or those who somehow learn to “game” the purchase decision algorithm, consumer trust would wither away. In fact, when brands have attempted to use AI-driven influencer's to push products, the efforts have failed.

Agentic commerce sounds good in theory, but authentic commerce is still king.

Security and other key challenges *continued*

When we asked businesses whether they would be concerned if AI agents started buying from them on behalf of consumers, 42% said yes and only 36% said no; 22% were not sure. Their primary concern about AI agents stemmed from security issues and fraud prevention, followed by dispute resolution.

Consumers seem to share these concerns. A July 2025 YouGov poll[11] shows that only 14% of Americans surveyed have used an AI shopping assistant—and only 11% have let an AI agent complete a purchase on their behalf. Only 4% said they are interested in letting an AI agent buy things on their behalf.

How will consumers gain confidence in agentic commerce? As with many technological leaps in payments, comfort comes with experience. Ride-sharing or meal-delivery services also require users to preload their credit card information into a platform to execute a sale without their explicit permission. In fact, that is one of their chief attractions.

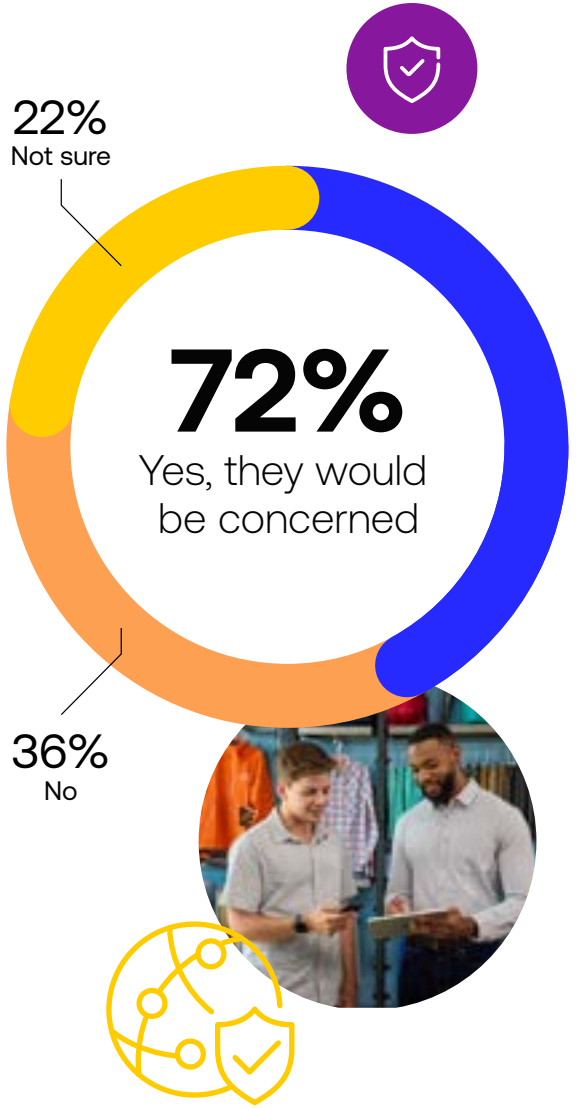
Businesses will have a strong incentive to help build that confidence. Merchants will have far more information about the shopper, what they are searching for, what their buying habits indicate and what their budget is. Previously, that kind of information might only have been known to the buyer and her cookie-empowered browser. Now, it may go directly to the merchant.

"That's assuming the consumer opts in to share their insight with the agent," says Visa's Nelsen. "But we think most people will, because if you're using that agent, and you're interacting with it on a daily basis, for a whole host of reasons, you're probably going to be willing to share insights about yourself anyway, like your shopping habits, because you're just going to get better insights."

For small and medium-sized businesses, the potential for such consumer engagement could be a major leap forward. As they deploy more tools aimed at attracting AI shopping agents, SMBs could develop new sales channels. In certain shopping categories, that kind of exposure is essential to long-term growth and brand expansion. And if nothing else, SMBs may find that using agentic commerce for their own B2B needs will prove valuable; by setting clear instructions to shopping agents, and permitting the agents to learn from past patterns, B2B transactions can be better managed and policed.

Much depends on the coming months and years of initial effort and experimentation—and perhaps, some high-profile failures. But as AI has revolutionized the way so much of business is conducted already, it's likely that it will continue to drive transformation in the way we shop and pay.

Would you be concerned if AI agents began purchasing from your organization?



“Agents are not only going to change how everyone interacts with computers. Agents won’t simply make recommendations; they’ll help you act on them.”

Bill Gates
Co-Founder
Microsoft

“AI agents will become our digital assistants, helping us navigate the complexities of the modern world. They will make our lives easier and more efficient.”

Jeff Bezos
Founder
Amazon

A future with agentic commerce

The potential applications of agentic commerce are emerging:

A consumer can direct their AI agent to research a seven-day vacation itinerary in an exotic locale, including airfare and hotel, with a specific budget in mind. Now she can also authorize AI to secure reservations, place deposits, schedule spa treatments and even purchase clothes suited for the trip and in keeping with her style, brand preferences and recent additions to her wardrobe.

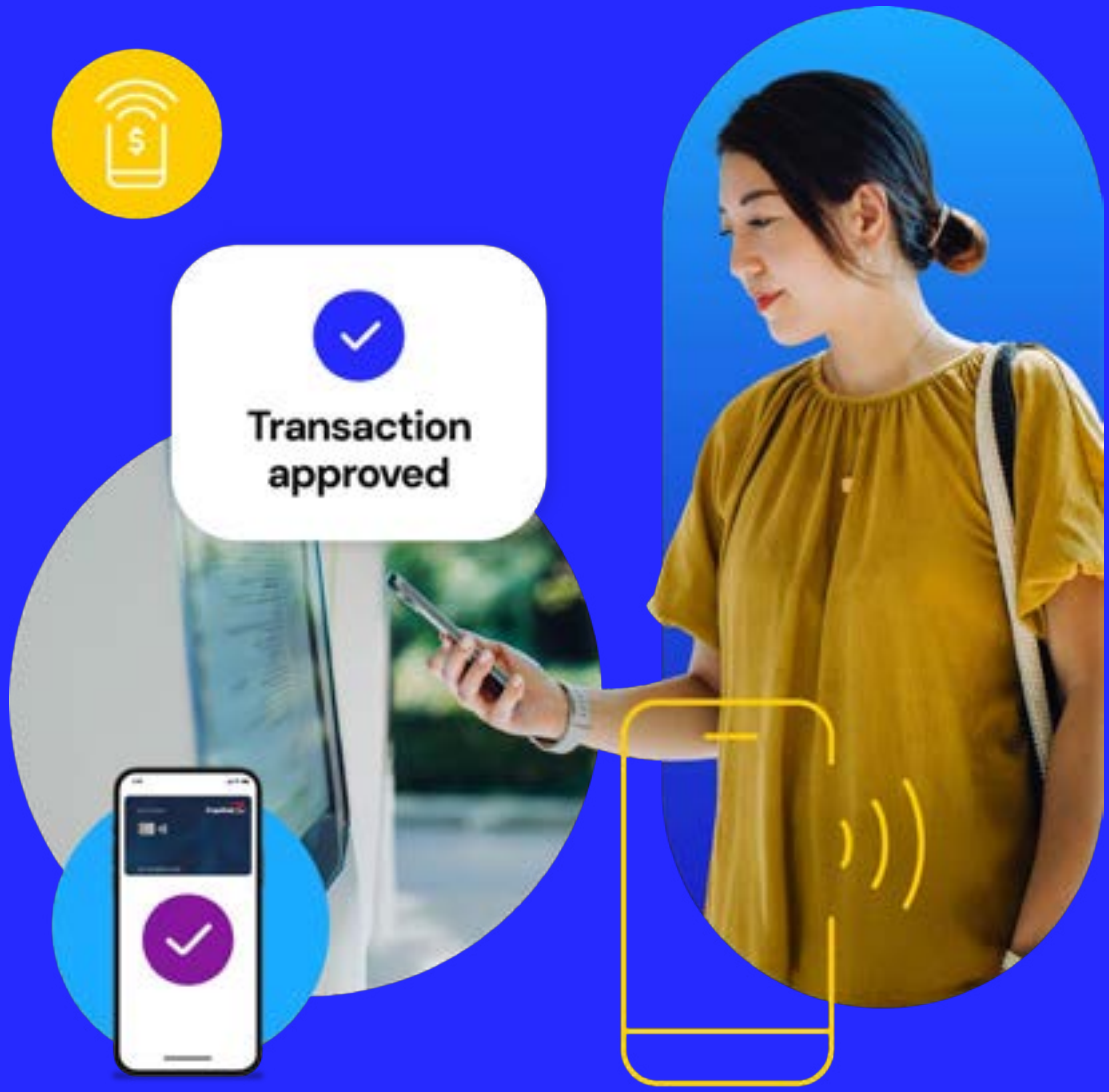
Another potential application: On a Sunday evening, a busy head of household could direct AI to make a list of family dinner recipes and meal plans for the week and draw up a shopping list using past purchases as a guide, taking into account brand preferences and budget. With agentic commerce paired with payments, an AI agent can place the delivery order, all without stopping for approvals or review.

On the business side, an AI agent might act on behalf of an owner to manage supplies, renew or cancel software as necessary, attend to necessary maintenance and process payments to suppliers and gig workers. The agent can complete the tokenized purchase—enhancing visibility and security in the process.[12]

TREND 2

Payment is everywhere:

How the POS revolution is unfolding



Tapping a point-of-sale (POS) terminal is now an instinct for today's consumers. This step is no longer novel—and is often the last touchpoint with merchants in a transaction. In some cases, it happens without a human cashier present.

This evolution in payments has been taking hold for some time, thanks in part to the ability to turn a smartphone or tablet into a fully functional POS system. The shift responds to new consumer expectations and enables still other possibilities in how commerce is conducted. In restaurants, payment kiosks present dynamic menus that update based on the weather, offering suggestions for treats like ice cream sundaes on a hot day.[13]

Outside quick-service restaurants, line busters use handheld devices to take orders and accept payments, speeding people through the drive-thru.[14]

Whether integrated into mobile systems, kiosks or online platforms, the new POS expands the possibilities of payments in ways that are no longer bound to the countertop.

"Internationally, especially among small and medium-sized businesses that may have previously been a little reluctant to make major investments in new POS equipment, we're seeing a significant explosion in demand for electronic cash registers, smart terminals and the whole spectrum of new POS systems."

Alan Irwin
Vice President, Products and Solutions, International Global Payments

“Payment tech complexity shouldn’t get in the way of running a business.

POS systems that are intuitive and easy to deploy or download to their phone means service teams can focus on their customers, not figuring out new software.”

Gilbert Bailey
President, Genius for Retail and Small Business
Global Payments

Stronger, simpler, smarter

The rise in mobile POS systems reflects this shift in action. Over 85% of midsized US retailers rely on mobile POS solutions.[15] These systems can coordinate processes in service-driven settings like showroom floors, entertainment and sports venues, healthcare facilities and transportation hubs. These are all places with a need for speed, personalization and integration with inventory systems.

Cloud-based systems support the unified networks that sync and coordinate POS devices. For instance, a retailer can enable mobile checkout, pay-by-link invoicing and automated promotions from a single platform. Such POS solutions combine payments, receipt printing and reporting in one device.[16]

Advancements within POS systems are also making the platforms easier to activate—offering enterprise-grade software without the burden of plug-ins or third-party add-ons that can slow down operations. This includes platforms like Genius, the Global Payments product that consolidates ordering, inventory tracking and invoicing into a single solution.[17]

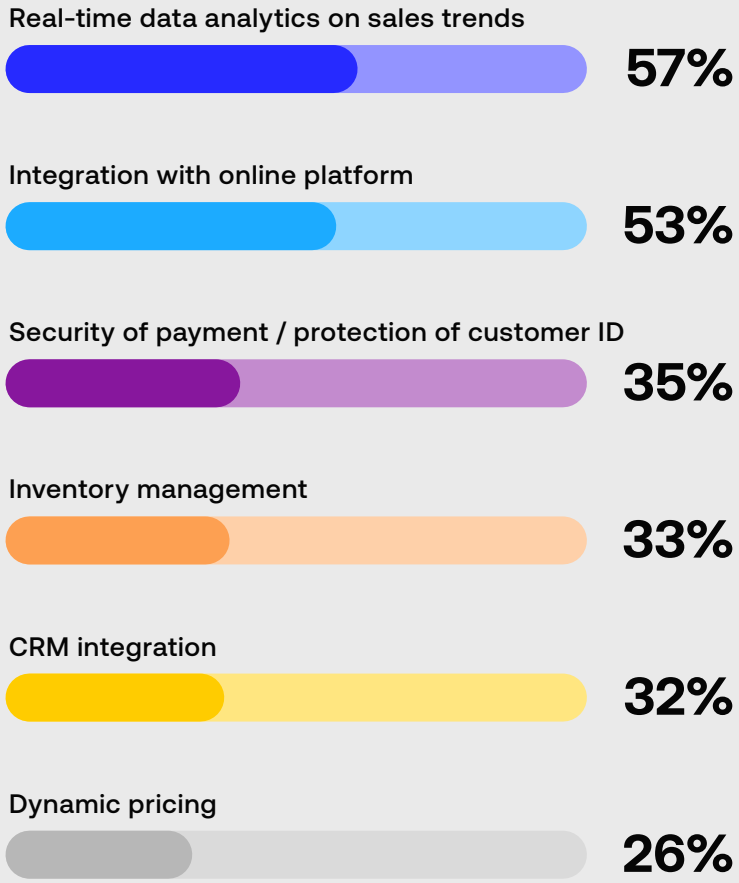
In practice, this means that a college campus, for example, has access to streamlined payments and reconciliation and can coordinate complex workflows under a single POS platform, whether the school operates bookstores, clubs and departments, recreational facilities, dining halls or stadiums.[18]

Dynamic pricing heats up

Today's POS systems reveal purchasing trends, and merchants are clamoring for these insights. In our survey, 57% of respondents cite the ability to harness real-time data analytics as a priority for future POS investments. These inputs can enable dynamic pricing, allowing POS systems to quickly adjust prices based on characteristics such as peak times (e.g., a morning rush near a busy office location).[19]

Dynamic pricing is controversial. A strategy of shifting prices to meet demand can be criticized as a form of price gouging, and companies do not want to invite the political and potential regulatory firestorms that follow. The complex economics of shifting labor costs, consumer demand, supply chain volatility and operational costs are not easy to explain. This tension shows up in the data: Only 31% of the retailers we surveyed say they'd prioritize adaptive pricing in a next-gen POS system, while 27% of respondents from professional services companies say the same. Among regions, respondents in Latin America say they're most likely to prioritize this feature when updating their POS platforms.

Which features would you prioritize in a next-gen POS system?



> **“For charging and parking, there’s no more need to get your card out, or phone this number, or download the right app to pay for this, I just park at a charging machine, plug in and authorize.”**

Nick Corrigan
International President,
Executive Vice President
Global Payments

A point of sale that knows your face, voice and clients

As biometric authentication evolves, it’s providing merchants with more intuitive ways to manage payments and workflows. For example, new technologies are taking friction out of the online checkout experience. Fast Identity Online (FIDO) standards will soon make it easier for consumers to authenticate online purchases using passkeys based on the biometric information stored in their phones—eliminating the need for usernames, passwords or additional factors.[20]

For merchants, however, it’s bigger than speed and convenience, as biometric POS features are raising the bar for security and accountability in other ways. Fingerprint-enabled POS systems can tie each transaction to specific employees, helping prevent theft and unauthorized access. They also streamline the login process, eliminating the need for passwords or card swipes.[21]

Voice-activated POS systems take these capabilities a step further by allowing users to process transactions, check inventory levels or access customer information without needing to touch a POS terminal. In high-volume restaurant settings, some of these systems can respond to oral commands as they fulfill individual items within an order.

One drive-thru restaurant that serves 15,000 cars per month and adopted voice ordering reported serving 40 cars in a 15-minute period with accurate orders. The business also reported a decrease in customer complaints.[22]

Merchants are also enhancing their POS systems to deliver a personalized payment experience. Once again, the hospitality industry is taking the lead in exploring some of the possibilities: Modern POS systems can share information across departments to highlight dietary preferences so guests get oat milk in their morning coffee every time, for example.[23] Another POS technological leap allows hotel guests to use radio frequency identification (RFID)-enabled wristbands or cards to open a tab, search the drink menu options and access self-pour stations—and pay when the night is done.[24]

One of the most interesting new POS systems can be your vehicle. Using automatic license plate recognition, a parking lot camera can identify vehicles as they enter or leave and charge the preloaded payment method the vehicle owner prefers. This type of experience is getting more and more seamless and can also be extended to EV charging and ultimately to insurance.

POS systems streamline workflows

For merchants, POS innovations are saving valuable time by easing some of the bottlenecks that can slow down operations. At quick-service restaurants, integrating POS systems with kitchen management dashboards eliminates the need for servers to manually enter orders, reducing the chance for errors.

Those time-saving features add up for restaurants, sports and entertainment venues and food service providers who need a scalable solution.[25]

New POS integrations with HR systems are also saving teams from tedious data entry. In personal service-based businesses like salons, POS platforms can now link directly with payroll tools that automatically calculate and transfer daily tips and commissions to workers.[26]

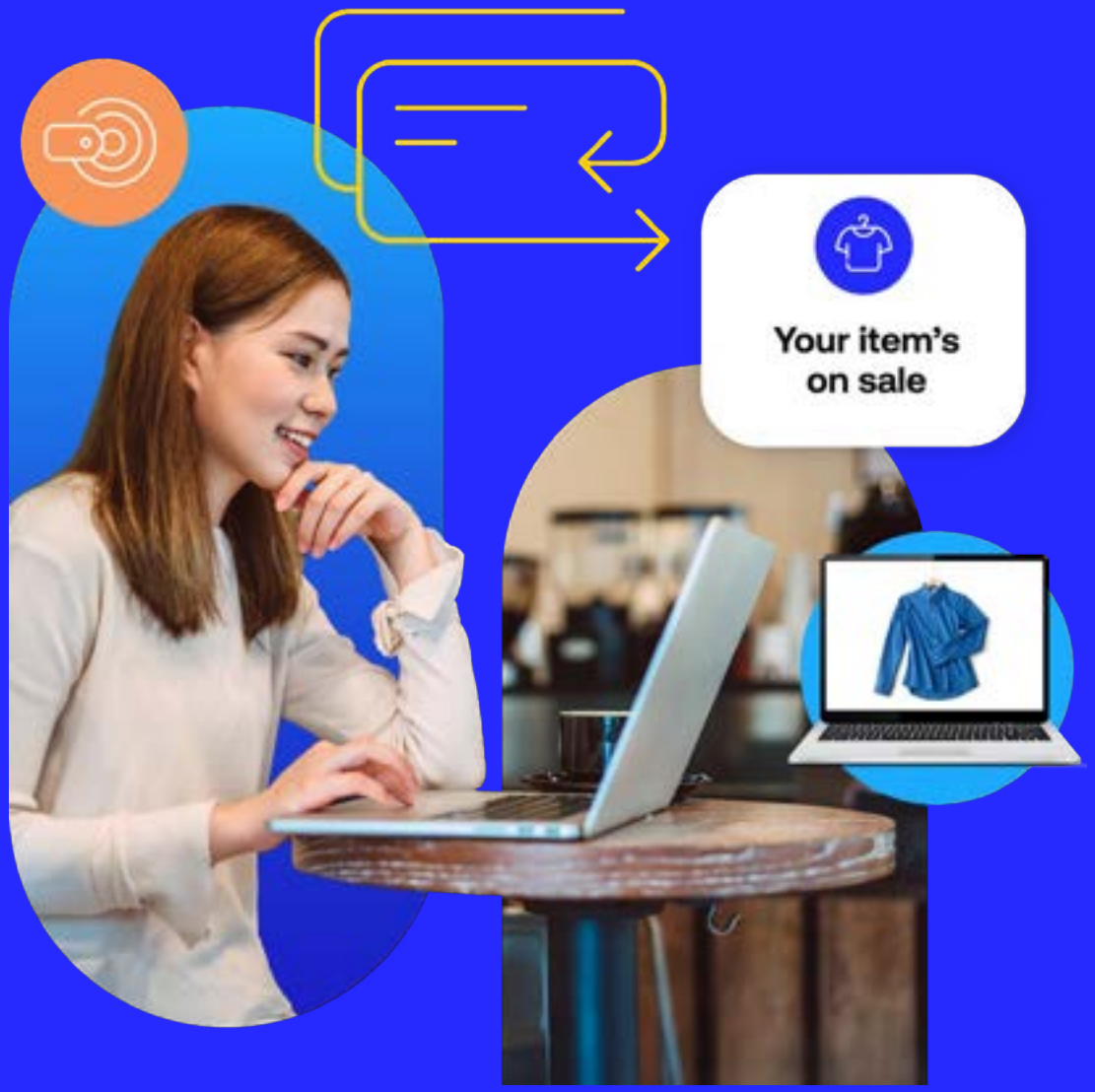
Despite these benefits, syncing these systems with existing workflows remains a barrier. In our survey, the lack of integration with other tools and platforms emerges as the biggest limitation of current POS systems (cited by 32% of respondents). Respondents in Asia-Pacific cite limited mobility and flexibility as the biggest limitation of their current system, while lack of integration with other systems is the biggest pain point in North America.

“What we want to do is make sure you don’t have to spend time on the ‘boring’ stuff.

Make it easy. A merchant said to me, ‘People like coming into stores. They like seeing and trying goods, be it electrical or clothes. They like buying it. So, we have to personalize that.’

But the mundane stuff nobody’s interested in; make it easy, make it go away.”

Nick Corrigan
International President,
Executive Vice President
Global Payments



TREND 3

Embedded finance gets more accessible

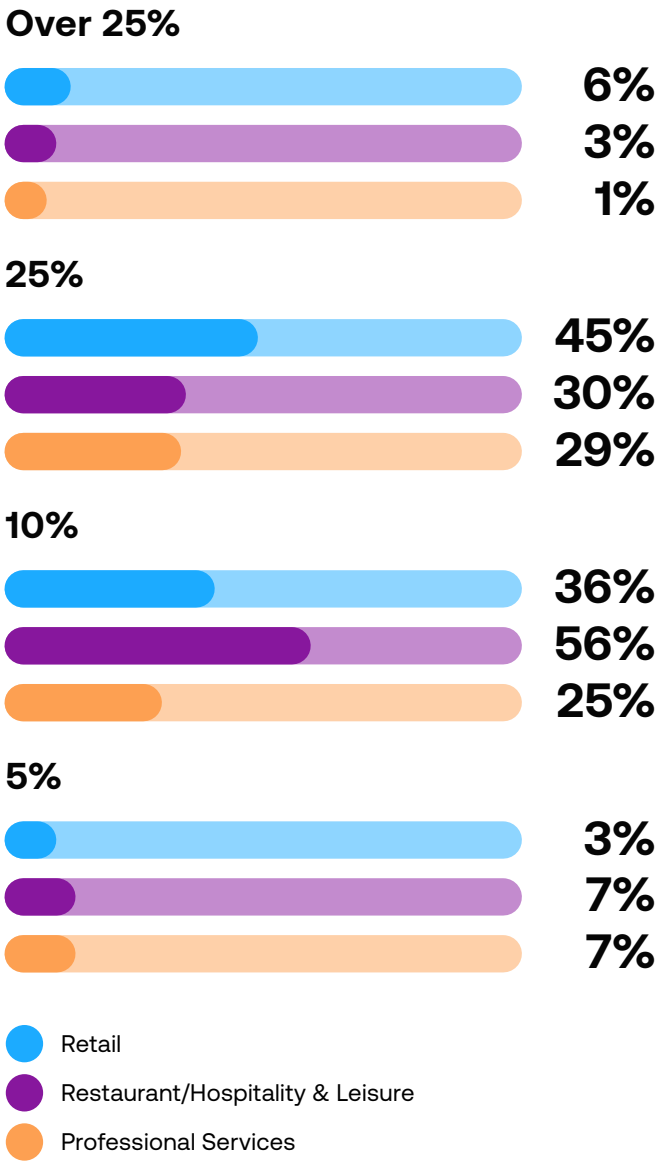
Embedded finance today has become more than a handful of apps and tools that bolt financial services onto legacy platforms. Today, embedded finance has become a core part of how businesses expand their relationships with consumers.

One of the fastest-growing uses of embedded finance—especially among consumer-facing businesses—is buy now, pay later (BNPL). Businesses have quickly demonstrated that BNPL boosts revenue; in our own survey, just over half of retail-oriented businesses (51%) said that BNPL raised revenue by at least 25%. In addition, BNPL is boosting average order value: 39% of all respondents said it was by 10% or more, and another 40% said it was by 25% or more.

A critical outcome of embedded finance is access—embedded finance integrates not only payments but also lending, insurance and other financial products into nonfinancial platforms and websites. The impact for a business is multidimensional. Take, for example, a small café that wants to expand and upgrade its outdoor seating. Through a merchant cash advance originated via its payment processor, it can start the work and repay the money through a fixed percentage of daily card transactions. It might also be able to use another API to permit its most loyal customers to subscribe to a special blend of its roasted coffee beans.

Globally, a report from Juniper Research[27] shows that the current market for embedded finance was $92 billion in total transaction value in 2024 and is expected to grow to $228 billion in 2028. Another survey[28] shows that nearly 44% of executives reported that their company is supporting an embedded finance solution today, while another 33% plan to offer it soon.

How much does BNPL increase average order value?



AI enables the expansion

What's changed? In short, AI. AI-powered tools allow for more real-time credit assessment, processing of payments and transactions, better security and fraud detection and more personalized and better-timed offerings of financial products.

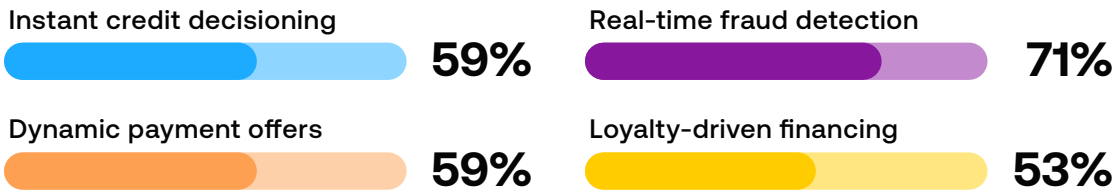
From a consumer's perspective, embedded finance presents itself more as a bundling of related offers. For example, travel insurance, carbon offsets and trip upgrades have been offered at the point of purchase for a standard airplane ticket for years. Now, AI might prompt an offer to consumers to break the total cost into installments.

Sometimes, as Gongora points out, the embedded application is just good salesmanship: "Let's say you've had this item sitting in your shopping cart for months. We can use that context to trigger a special offer, and that might be the nudge that gets consumers over the hump of purchasing."

The key, say experts, is making the entire experience easy and routine. Because consumers are already familiar with embedded payments thanks to ride-sharing services and stored-card information on major shopping sites, the willingness to use other embedded financial services is high. "It's a completely embedded experience. As consumers, we don't think about it," says Mike Kresse, executive vice president of commercial and new payment flows, North America, at Mastercard.

In our survey, the most common functions that business owners expect to shift to embedded tools are real-time fraud detection (71%), instant credit decisioning (59%) and dynamic payment offers such as BNPL (59%). These features are particularly valuable to enterprise-sized clients.

Which function would you most like to embed directly into your commerce experience?



"AI will be a huge enabler for more relevant and contextualized offers. AI can enhance the experience and make it much more of a contextualized personal offer."

Theresa Gongora
Executive Vice President of Merchant Solutions
Global Payments

“Small businesses used to have to access numerous systems at the end of their day, including accounting, financial services and customer management, to perform the series of five-minute sprints required to close their books. Now, all those capabilities can be embedded in a single solution—a single user experience.

And if I’m a midmarket company or a large corporate, embedded finance automates much of the manual work currently performed in accounts receivable and accounts payable operations.”

Mike Kresse
Executive Vice President of Commercial and New Payment Flows, North America
Mastercard

The next use case: B2B

While the best-known use cases of embedded finance emerge from the B2C part of the economy, the next spurt of growth may come largely from B2B applications.

Businesses are quickly using embedded finance for a range of regular functions: Short-term credit is now embedded into accounting software, and supply chain financing is embedded into procurement software. Other financial services are now finding their way into nonfinancial platforms: insurance and equipment financing.

Still other applications take on prosaic tasks like tracking sales and expenses, reimbursing employees and paying vendors, analyzing and optimizing prices and setting limits on corporate credit cards.

Our survey showed that the industry sector most likely to invest in embedded finance was professional services (88%), versus 54% of businesses in the hospitality and restaurant sector.

SMB adoption takes off

As embedded payments and APIs become ubiquitous, small and midsized businesses—which sometimes struggle to gain access to traditional sources of credit and banking services—can now offer capabilities once limited to enterprises—like subscription billing, BNPL advancing funds via their POS provider or foreign currency–native checkouts for their clients and partners.

The ability to add trusted systems can create better reliability for payments as well. POS integrations with back-office tools (like payroll or accounting) create an embedded financial layer that streamlines everything from tax reporting to supply chain management. In short: Embedded finance gives SMBs enterprise-grade power without undue complexity.

Toby Brown, global head of financial services solutions at Google Cloud, says "The goal is to meet customers exactly where they are, embedding financial moments—like lending—directly into the point of sale. It's no longer about going to a separate financial institution; it's about technology solving a life need in real-time."

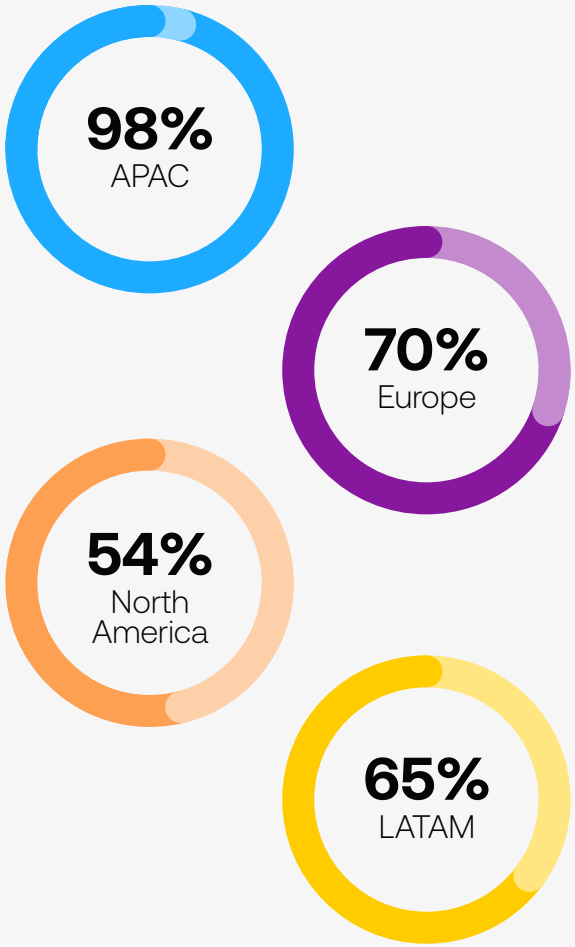
In the professional services sector, this creates some tantalizing use cases:[29] For example, real estate firms could use embedded finance tools to more easily create and track "split transactions" for day-to-day accounting of inflows of rents. A home maintenance firm might want to set up a subscription model for regular visits; embedded finance makes it possible to process and track those payments easily and charge for additional service calls.[30]

These cases will generate meaningful interest among SMBs, says Google Cloud's Brown. "The vast majority of SMBs are actually B2B companies. These are the small accounting shops and the independent marketing agencies, etc. It means that they're unlikely to use services like real-time payments. They're invoicing, and they're approaching it differently," he says. "That creates a whole different set of embedded finance possibilities and functionality. You're looking at accounts payable, accounts receivable and all of the lending products to go hand in glove with that. It has a big impact on the types of embedded finance products that these SMBs will want to offer."

> **"The simple reality is that small and medium-sized businesses are no longer just consumers of financial services. They're becoming platforms for financial services."**

Toby Brown
Global Head of Financial Services Solutions
Google Cloud

How likely are you to invest in embedded finance in the next 12 months?



SMB adoption takes off *continued*

We may see a similar dynamic play out regionally. Embedded finance in Asia-Pacific and Europe is far ahead of North America—and that lead is growing: Our survey shows that the intent to invest in embedded finance is very high in those regions—98% in APAC and 70% in Europe versus only 54% in North America.

One key driver for interest from European businesses is the expected gain from BNPL—51% of European respondents expect a revenue increase of 25% or more. In North America, only 28% of respondents were as optimistic. Payment leaders say North American consumers are still more reliant on traditional, manual processes for payment. In Europe, there's more experimentation.

> **"What we're seeing across Europe now, and something that's growing the fastest in Central Europe, are account-to-account payment methods, thanks to the growth of open banking standards and advancement of technologies—and that can come with much lower fees, there's improved economics for them. There is choice for the consumer. You can reinvest the lower cost of acceptance into your loyalty programs."**

Nick Corrigan
International President, Executive Vice President Global Payments

Embedded finance, he says, will tend to be widely accepted where there is greater choice in payment. "Depending on what the consumer wants to do and how they want to pay, there is different hardware or no hardware at all, different payment acceptance devices—that complexity needs to be channeled through less inventory, less hardware, less complexity," says Corrigan. "Having the right choice for those consumers, being able to offer more around loyalty, being able to offer different methods that save the merchant money, all with consolidated hardware and solutions, all with less friction, that's a really good thing. And we're beginning to see this happen inside stores."

Challenges in implementation

Implementation of embedded finance across businesses of all sizes can be eased if operators recognize some of the potential pitfalls in advance.

- Integration with legacy systems can be tricky, especially if a business uses an outdated tech stack or ERP. One workaround: Use an embedded finance platform that is low code or no code.
- The payoff isn't always immediately clear-cut, especially in certain applications. Businesses should consider doing A/B testing—or at least use a provider who does usage-based pricing or revenue-sharing models—to limit the risk of outsized costs per transaction.
- Embedded finance involves regulatory and cybersecurity risks and implications—assuming some of the roles of a bank may trigger "know your customer" and anti-money-laundering responsibilities. It also makes your business an attractive target for hackers. Ultimately, you need a provider that offers compliance as a service or some kind of embedded regulatory support, including European General Data Protection Regulation (GDPR) guidelines.
- Even if the embedded finance APIs are handled entirely by an outside partner, it's the business's reputation on the line if something goes wrong. If a customer has a bad experience—for example, if they're denied a loan or a payment doesn't go through—the merchant always pays for it in some way. That's why excellent user experience and customer service remain paramount, and those should be built into service level agreements.
- And as with any situation where an outside vendor has direct access to your customers, you need to set clear lines on issues such as data ownership, cross-selling and other protections.

A difference-maker, potentially

The opportunities implicit in embedded finance have been steadily expanding, and with the application of these tools to B2B relationships and processes, the gains will start to multiply further. As with every part of the AI revolution, each new application is widening the aperture of what's possible not only in improving payment but also revolutionizing the entire commerce experience.

“It’s basically table stakes at this point. How would you not offer that up as a payment option on your site? If you’re an SMB, you’re just ignoring an entire population of people and their preferred way to pay. And there are markets around the world where they just don’t use credit; they use buy now, pay later. And so, if you don’t offer that option, you’re excluding a population of users.”

Mark Nelsen
Head of Global Consumer Products
Visa

HOW INSTANT CREDIT IS RESHAPING COMMERCE:

BNPL

If businesses once thought they could avoid offering a BNPL tool as part of payment, that resistance is now long gone. Nearly 1 in 5 American consumers used BNPL in 2023. By 2028, it is forecast that nearly 1 in 3 Americans will do so, according to Capital One.[31]

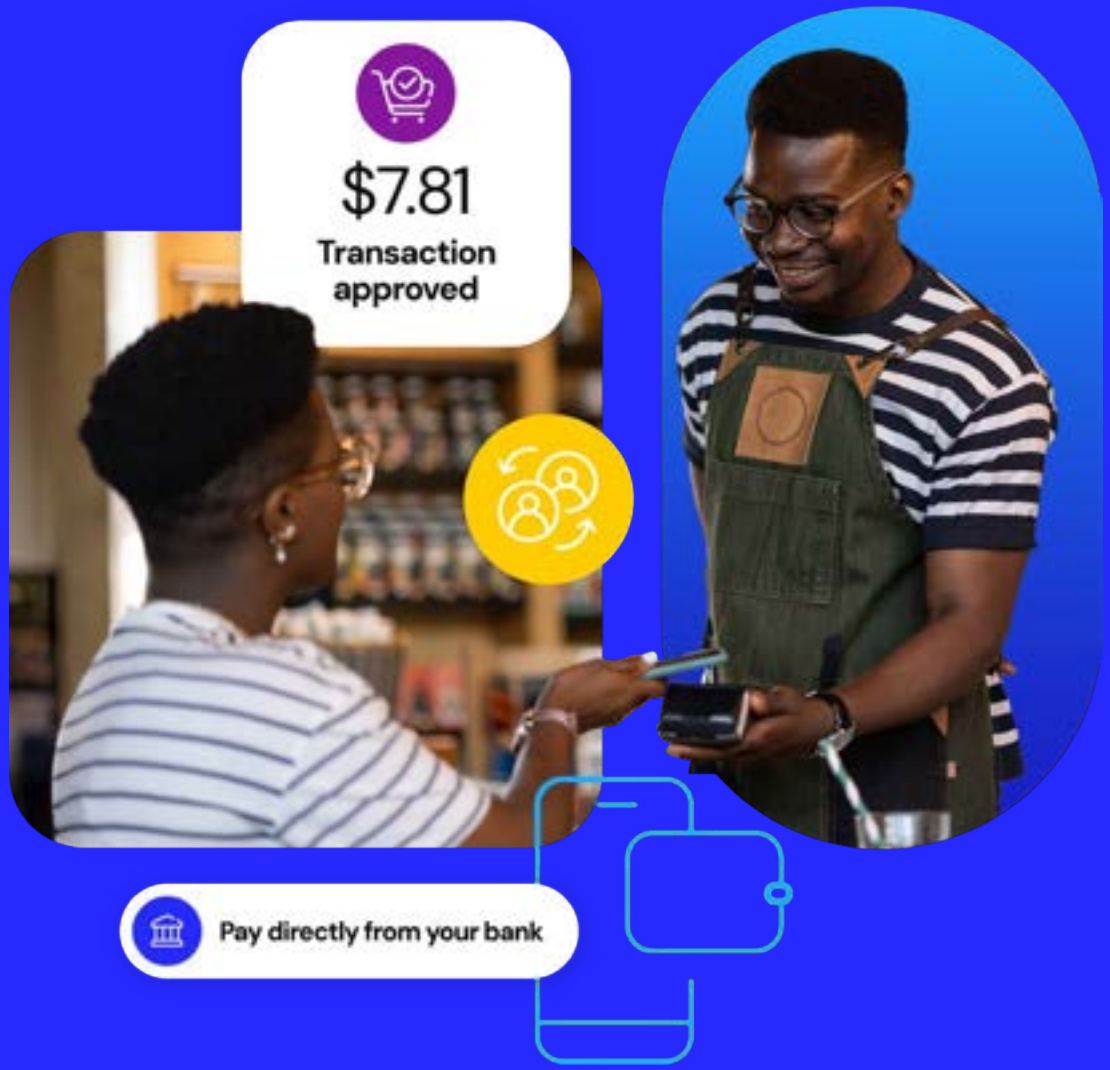
Nor are BNPL offers limited to big-ticket items; rather, the average loan size for a BNPL transaction is just $135. Programs from Visa, Mastercard and American Express have become ubiquitous, offering consumers the simplicity of a fixed fee for an installment purchase. Some programs offer such payment terms even after the purchase has been made.

Not surprisingly, there is a generational divide in the use of BNPL: While 22% of consumers ages 35 or younger have used it, only 10% of those over 65 have.[32]

TREND 4

When you need your money now:

Instant Payments bring speed, but for SMBs, some complication



Just as people expect to complete transactions instantly, they want access to their money instantly—and thanks to the acceleration of infrastructure for instant payments—more of them are getting what they want.

Just as people expect to complete transactions instantly, they want access to their money instantly—and thanks to the acceleration of infrastructure for instant payments—more of them are getting what they want.

A combination of related technologies grouped by the concept of open banking—pay by bank, account-to-account payments and instant payments—has jointly created a more fluid, instantaneous and low-friction mode for sharing financial data and moving money.

Services like FedNow and payment networks like Zelle have created the infrastructure to make instant payments a reality not only for three out of four people on the planet[33] but also for businesses as well. Whether all businesses will want to adopt instant payments as the norm is another matter. After all, the majority of SMBs and midsized merchants are still set up around batch-based payments and reconciliations—so they may not be optimal candidates for adoption. Others, however, see opportunities for improved cash flow, reduced costs on remittances and fees and reduced dependency on credit.

An incumbent technology

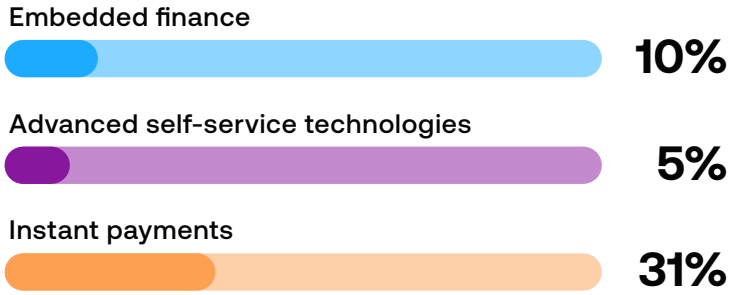
According to our survey, businesses of all industry sectors and sizes are more invested in instant payments than two other fast-growing technologies; 31% are using instant payments versus 10% using embedded finance and 5% using self-service technologies. But even so, continued growth, future adoption and new applications are very much in play.

“Consumers almost expect there to be no difference between online and offline,” says Mastercard’s Dev.

While instant payments are already well established for customer purchases and refunds (which remain the most frequent use cases, at 72%), other use cases of the technology are being explored. Some of the most promising applications will come in business use, especially in delivering loyalty rewards and other benefits to consumers. Earlier adoption of instant payments by consumers means that businesses won’t have to educate their customers on how they work; it’s already an incumbent payment technology for most people.

“Peer-to-peer is so commonplace, but business-to-consumer is still not there,” says Mastercard’s Kresse. “Consumers are asking ‘Why can’t I just input my debit card and get that money immediately?’ We’re seeing a lot of demand in the market for business-to-consumer disbursement.”

Likely to invest in these technologies in the next 12 months?



The ‘why’ of instant payments

For businesses of all sizes, the case for instant payments is pretty straightforward: They can provide open banking options that can often be processed at lower costs than the alternatives. As transaction values get higher, the savings scale up as well. In addition, their speed shrinks accounts payable and receivable cycles and frees up working capital for other uses.

For SMBs, these benefits can be existential—improved cash flow means being able to cover expenses rapidly, avoid long payment lags, make payroll and update inventory with less stress and accelerate reconciliation. In short, the blocking and tackling of running many businesses becomes easier with instant payments, especially those with the infrastructure in place to leverage the benefits of the technology without complicating account reconciliation processes.

“Merchants are probably a little bit tighter on cash. Or for the big merchants, they just like to be able to have the money for float. They want to invest their funds, or they just want it faster.

For many SMBs, they have a strong need for cash flow, cash in hand, and they are really interested in anything that improves this.”

Laura Wallace
Executive Vice President and Head of Client Experience and Enablement Global Payments

Roots run deep

Instant payments have deep roots in the ACH system developed in the 1970s and their foundations are getting stronger thanks to regulatory action globally. Real-time payment (RTP) systems have been established[34] in multiple markets and are growing rapidly everywhere; Amazon Web Services forecasts[35] that the value of RTP transactions will grow by more than 35% a year from 2023 to 2030. In the US, FedNow adoption is growing,[36] while globally, systems like India's UPI[37] and Brazil's PIX[38] are the models on which many other related systems are based. And they didn't take long: Brazilian bank Itaú built PIX in only 10 months.[39]

Powering these developments is an interoperable network of communication, built on ISO 20022, a global standard for electronic data exchange between financial institutions that makes instant payments easier and more integrated than ever before. Implementation isn't simple, however. Switching from existing payment systems can require expensive APIs and training for team members. And cross-border payments remain subject to SWIFT processes and some foreign currency conversion fees.

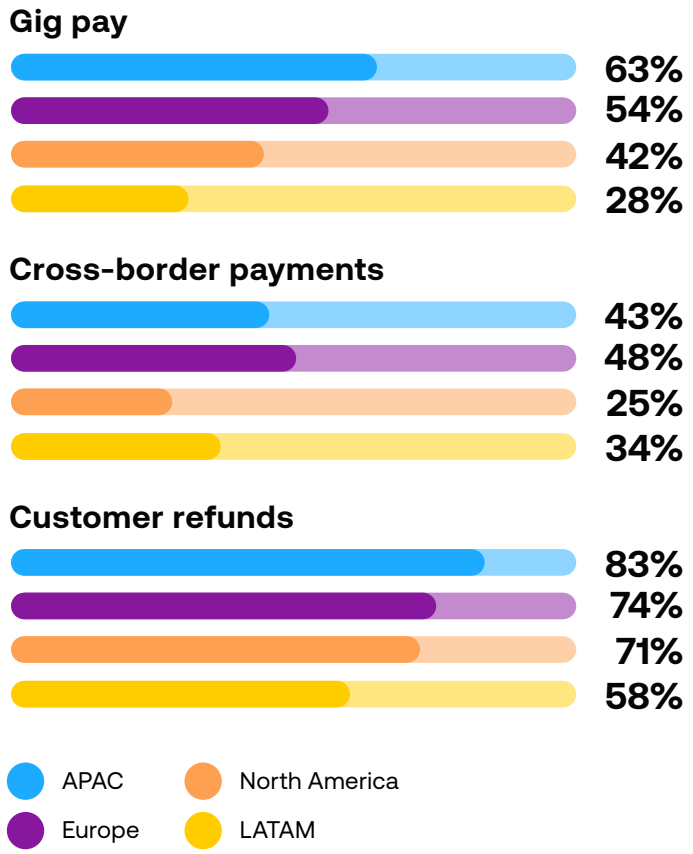
"Tokenization, biometrics, digital cards/wallets, click to pay/instant payment—all these technologies are working together to really create that seamless online, offline experience where it doesn't matter where you are, you know that you're going to have the same secure and seamless experience," says Mastercard's Dev.

That said, there are clear differences in adoption by global regions. According to our survey, businesses in Asia-Pacific and Europe are more active users of instant payments for core functions. Sixty-three percent of businesses in Asia-Pacific and 54% in Europe said they use instant payments primarily for contractor or gig pay. In North America, only 42% said the same; in Latin America, the figure was only 28%.

> **A lot of countries that have seen the most real-time payment adoption is because they've mandated it, and that is still a work in progress in the US."**

Mike Kresse
Executive Vice President of Commercial and New Payment Flows, North America
Mastercard

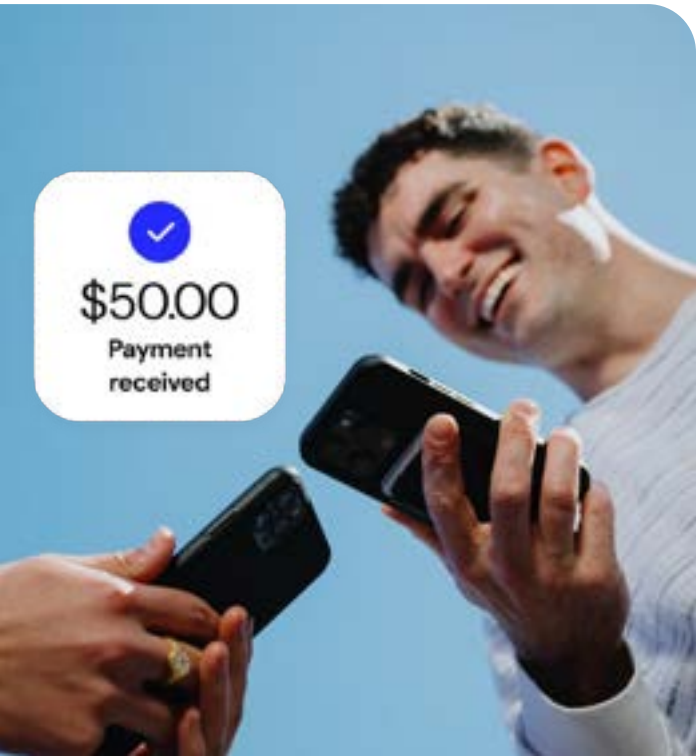
What are the main use cases for adopting instant payments?



Another major use case is cross-border payments. But again, Asia-Pacific and Europe are more enthusiastic users—43% of APAC businesses said cross-border payments were the main use case for instant payments, and 48% of European businesses said the same. Only 25% of North American businesses and only 34% of Latin American businesses said that was the case.

Risks and challenges

Instant payments remain a tempting target for bad actors. After all, payments are generally final and cannot be easily reversed. According to BAI,[40] the speed of instant payments makes it harder for financial institutions to assess the risk of fraud in a given payment.

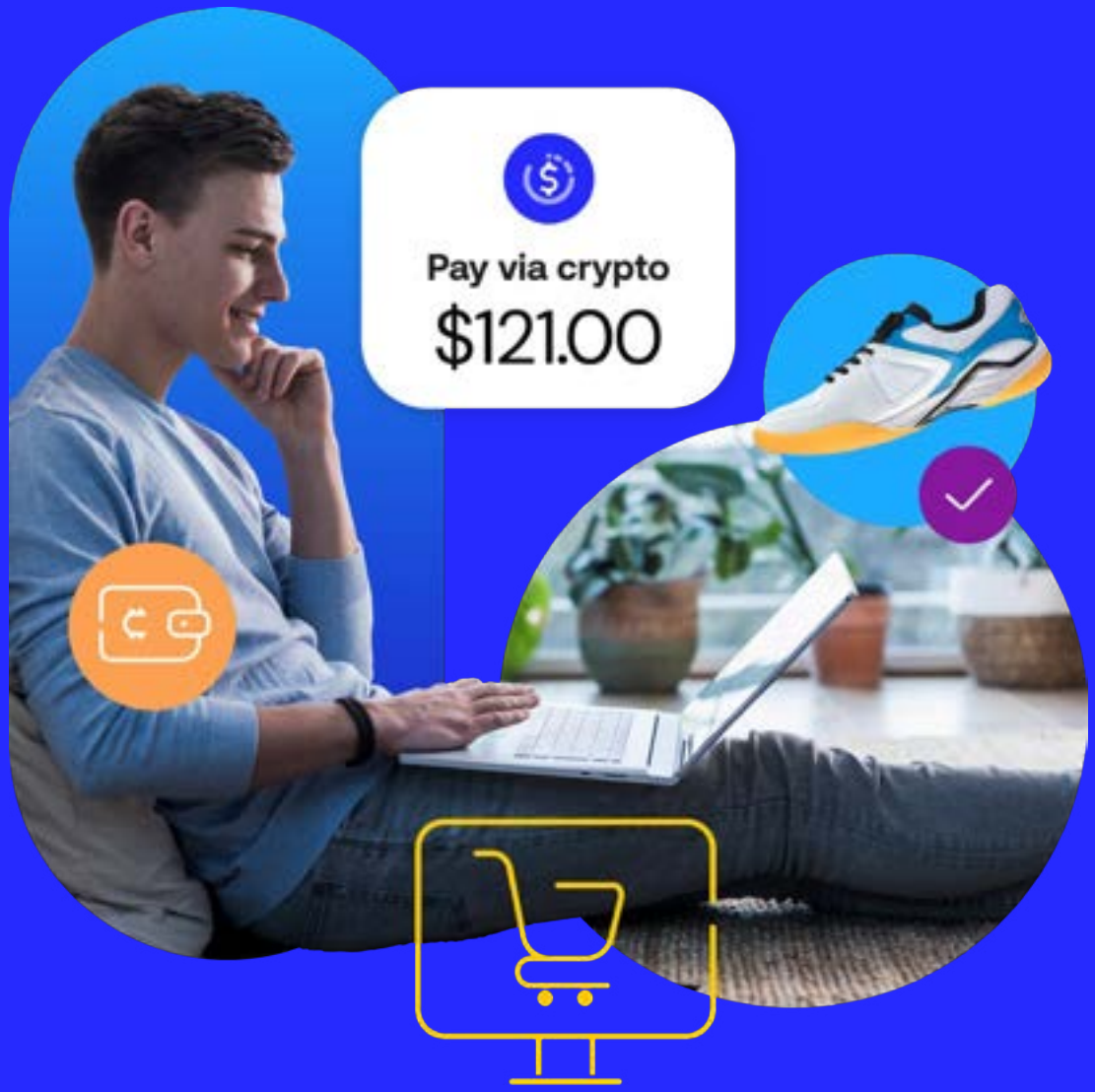


As with so many of the emerging technologies coming to payment platforms and processes, security and identity protection are paramount. The threat of account takeovers, synthetic identity frauds, refund fraud, social engineering attacks or authorized push payment (APP) fraud, means that both financial institutions, fintech platforms and businesses themselves need to build robust protections and guardrails.

For SMBs, a chief risk is time: It might take years to produce the kind of savings to offset the cost of adopting some of the instant payment products and systems. For this reason alone, such businesses may instead want to adopt other solutions that don't require the same kind of up-front investment for implementation.

A bright outlook

The outlook for instant payments remains bright—and not only because of its well-established use by consumers. Ongoing improvements in the underlying technology, new integrations across ISO 20022 and greater adoption by B2B and B2C users means payments will increasingly come without delay and without friction.



TREND 5

Crypto's moment?

Stablecoins take the stage—but what's next?

Stablecoins broke onto the scene in the past year and have quickly captured the attention of businesses throughout the payment ecosystem. Already, expectations are high. And as major players like Mastercard[41] and Visa[42] are actively piloting stablecoin-backed settlements, the road to adoption and application for businesses of all sizes is widening.

But can they evolve from hypothetical, crypto-native tools to practical, enterprise-grade financial instruments? The coming months may answer that question definitively. Stablecoins' biggest advocates say that they not only will be cheaper to use than ordinary fiat currency, especially in cross-border transactions, but also will facilitate international payments and even optimize supply chains.

That's a lot of potential. For now, many of the use cases for stablecoins are more theoretical than practical: They represent less than 1% of global daily money transfer volume.[43] And while stablecoins certainly are distinctive, other instant payment options offer similar benefits and may be easier to implement and manage.

In fact, stablecoins are, by any measure, only an emerging technology. Citibank estimates that we are only 5% of the way forward[44] in Stablecoin adoption and application. Are we looking at an enduring trend or another metaverse?

What are stablecoins?

Stablecoins are a cryptocurrency pegged to a specific asset or basket of assets, such as the US dollar or gold.

Stablecoins have all the basic features of a digital currency—they are easily and instantly accepted across borders—along with the advantage of relatively stable fiat currency.

As a store of value or a means of exchange, stablecoins have quickly been embraced by many early adopters, such as crypto traders and investors, decentralized financial systems, people and companies sending cash across borders, and consumers and businesses in high-inflation markets. Several banks have started to issue their own stablecoins, as have a few fintechs and payment firms that seek to help companies and consumers alike bridge those gaps.

A primer on stablecoins

Stablecoins have all the basic features of a digital currency: They are easily and instantly accepted across borders, just like a fiat currency. Most stablecoins are pegged to the value of a widely understood currency or form of payment, such as the US dollar or a basket of currencies or commodities. That makes stablecoin distinct from bitcoin or other forms of cryptocurrency, which fluctuate in value and do not carry an implied stable conversion rate to another currency.

Proponents of stablecoins see the technology as a natural evolution of the digitization of money: Much as currency moved from precious metals to paper notes and from paper notes to digital bytes, stablecoins can serve as a store of value that everyone can learn to trust.

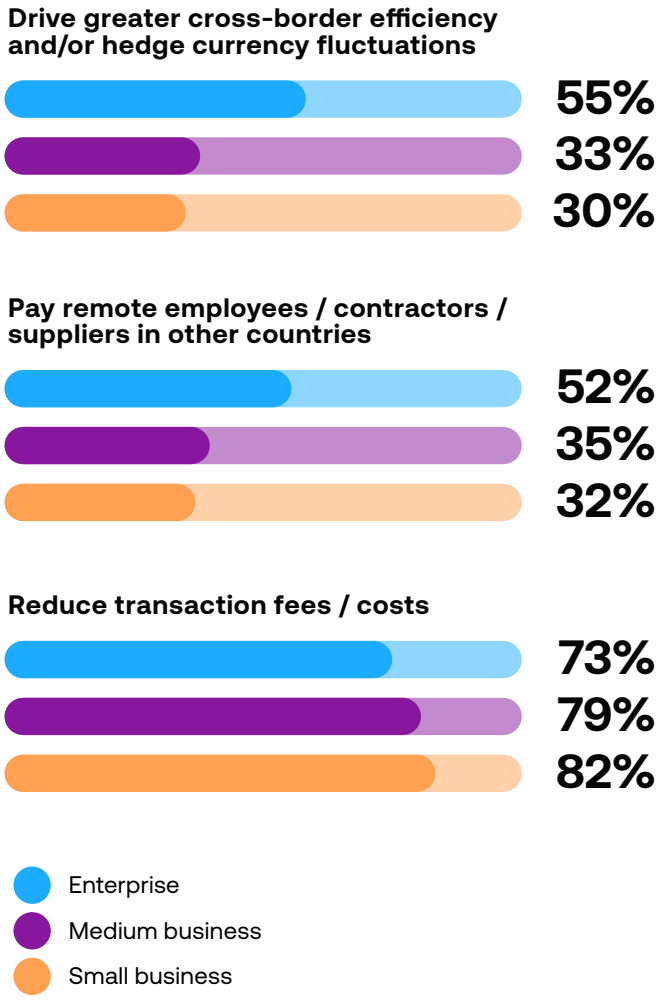
The potential uses of stablecoins are clear. Companies that seek to transfer income across borders can do so using stablecoin and avoid conversion fees, not to mention delays tied to SWIFT dependencies. For unbanked consumers or those in volatile economies, stablecoins represent a pathway to stability and durability of economic value.

Stablecoins offer faster settlements, significantly improving cash flow compared with traditional methods. And by creating a common valuation across borders and businesses, they can create a "single source of truth" for a business with multiple franchises, properties or subsidiaries.

Our survey shows that among medium-sized businesses, 35% are interested in using stablecoins for international purposes, such as paying employees and contractors or suppliers in other countries; 33% are interested in driving greater cross-border efficiency and/or hedge currency fluctuations.

But the real opportunity may be with enterprise-sized businesses. Advocates say stablecoins will encourage such businesses to enter new markets: By using them, they say, businesses would greatly reduce currency risk in their overseas operations or sales. Our survey confirms this assumption: Enterprise companies are more interested in driving greater cross-border efficiency and/or hedge currency fluctuations (55%), as well as using stablecoins for international reasons such as paying remote employees/contractors/ suppliers in other countries (52%).

In what areas are you considering using stablecoins?



How stablecoins solve for volatility and exchange rates

Stablecoins are designed to bring stability by a variety of means. The most common methods being establishing fiat-collateralized or commodity-backed stablecoins that are pegged to less volatile assets such as a fiat currency like the US dollar or the price of gold for clear, transparent trading.

The stability of the stablecoin is maintained by being backed by real-world or digital assets held in reserve. Most commonly, these are backed 1:1 by traditional fiat currency (e.g., US dollars). For example, each USD Coin (USDC) is designed to be redeemable for one US dollar, with reserves presented transparently with the stablecoin issuer maintaining a reserve of their backing asset.

Because stablecoins can be transferred more easily than traditional currencies, they can provide a stable asset with all the benefits of the trusted underlying 1:1 backing of their core asset. This strategy ensures stablecoins maintain a consistent value, shielding users from the significant price fluctuations of other cryptocurrencies and mitigating the uncertainty of exchange rates in cross-border transactions.

The operational advantages of stablecoin

Advocates say stablecoins aren't just a way to avoid transaction fees—though that might be at the center of their appeal. Businesses are exploring how they can use stablecoins to automate, personalize and stimulate business activities.

Our survey found that respondents in North America are much more open to stablecoins than other regions: 72% of North American businesses said they were likely to use stablecoins if they were integrated into platforms they already use, while only 45% of European businesses, 35% of Latin American businesses and 26% of Asian-Pacific businesses said the same.

Stablecoins, due to their programmable structure, may help businesses seeking to integrate their financial programs. Because stablecoins use blockchain technology, they can be automated at scale. Blockchain-based transactions are transparent and immutable, so they are less prone to fraud, make record keeping far easier and create a chain of data that tracks ownership over time. These on-chain escrow and smart contracts could lead to the automation of B2B purchases. Or they could provide a secondary market reserve of liquidity for AI agents that are processing purchases and sales without human intervention; one of the most significant sources of risk of agentic commerce is a rogue transaction that needs to be undone. Theoretically, a stablecoin-based transaction is easier to track and reverse.

> **"There are a lot of advantages to a decentralized ledger, If you think about stablecoins today, it's a crypto trading settlement vehicle. But there are decentralized finance use cases around it."**

Mike Kresse
Executive Vice President of Commercial and New Payment Flows, North America
Mastercard

It's possible that stablecoins and agentic commerce will become complementary technologies, says AWS' Smith. "I could see a situation where AI agents pay with stablecoin. The future is a little bit of a blank canvas right now. These ideas are interesting and they're accelerating."

Another application: Loyalty programs and rewards. Stablecoins could standardize and operationalize such programs and rewards points in a clearer way. By rewarding customers with a stablecoin tied to a larger and linked rewards framework (which is especially valuable for enterprise-sized businesses), a complex and interconnected program can be better managed and tracked.

As with all payment technologies, the benefits are not limited to payments but rather flow to a broader array of financial functions. Reconciling payments across franchises, properties or subsidiaries is labor-intensive and essential—especially for complex organizations—something stablecoins can unify at scale. That may explain why our survey showed that interest in stablecoins rose— to 61%—among medium-sized businesses if stablecoins were integrated into current platforms. By comparison, 49% of small businesses and 52% of enterprise businesses said the same.

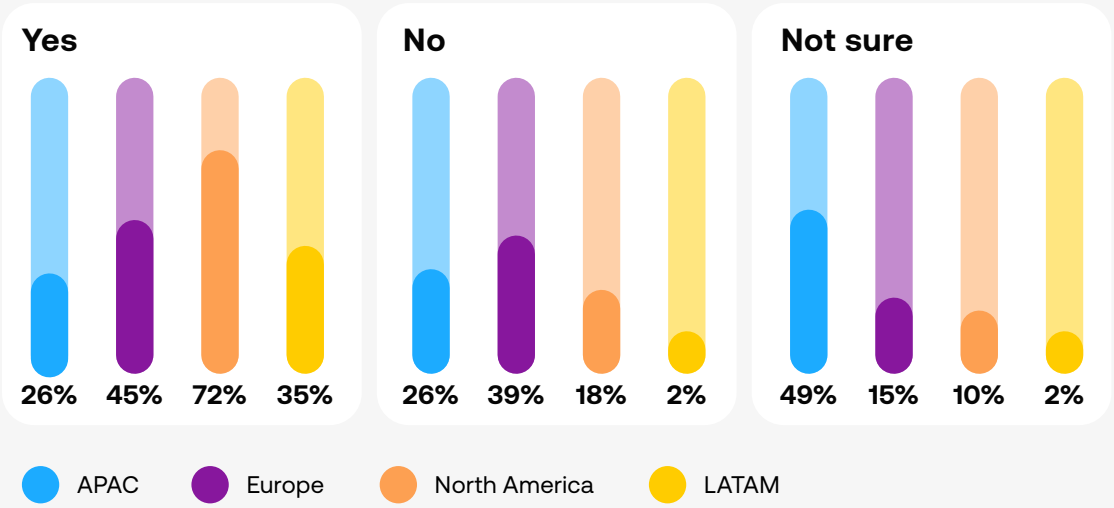
So how are businesses using stablecoin? Visa and JP Morgan[45] are creating inroads for integration including interbank settlement. Circle, the issuer of the $62 billion USDC stablecoin, completed its initial public offering earlier in June and just applied for a banking license.[46]

As these cases build awareness and trust, more integrations could follow: Stablecoins could become embedded in digital wallets and banking apps, making them more accessible to a wider range of users.[47] These uses could create new business models in real time, such as even more automated and accelerated instant payments and improved smart contracts.

A push from Congress and the White House

As with many technologies and payment trends, some regions are more invested in stablecoins than others. The US, with legislation creating a more reliable playing field for stablecoin adoption, is a clear leader globally.

Would your business be likely to use stablecoins if integrated into platforms you already use?



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This is most likely due to the GENIUS Act,[48] passed by Congress and signed into law by President Trump in 2025. The legislation requires stablecoin issuers to have 100% reserve backing with liquid assets like US dollars or short-term Treasury bonds. In addition, issuers need to make monthly public disclosures of the composition of reserves. By establishing full asset matching, the GENIUS Act is aimed at preventing "de-pegging," whereby a stablecoin issuer detaches the valuation of its currency from a relatively stable and well-understood asset class like the US dollar or gold. Similarly, the GENIUS Act prioritizes stablecoin holders' claims over all other creditors, ensuring a final backstop of consumer protection—an unusual perk.

By comparison, Europeans are more skeptical of the opportunities of stablecoins and have expressed concern, through the European Central Bank,[49] that US dollar-linked stablecoins would weaken their central bank's control over monetary conditions. The fact that 99% of stablecoins are linked to US dollars[50] suggests this fear is not unreasonable.

What's next

Notwithstanding US regulatory action setting some guidelines for stablecoins, most regulators haven't weighed in, so the rules of the road in cross-border transactions may not be clear.

These missing guardrails create on-the-ground risks as well. Without clear legal standards and transparency, users may worry about whether stablecoin issuers hold adequate and high-quality reserves to back their tokens. These worries aren't purely theoretical: the TerraUSD stablecoin crashed[51] to a low of $0.40 per $1.00, crushing its investors and decimating trust in stablecoins as a whole. When any stablecoin proves itself to be unstable, the whole environment suffers.

Because they operate on blockchain technology, the future of stablecoins can involve even more uses than a store of value. Future uses could include autonomous "smart contracts" anchored by stablecoins between AI shopping agents. Or, stablecoins could be used to establish more complex tokenized assets or flows of funds.

For now, however, international reluctance and a lack of clear legal guidance and protection may keep many businesses—especially SMBs—on the sidelines. In the end, regardless of its potential, future adoption of stablecoins rests entirely with the comfort level and trust of the consumer and other end users. If and when a significant share of customers chooses to retain their funds and transact sales in stablecoins, businesses will be compelled to take them as a form of currency no different from any other. But that is a big "if"—and stablecoins have a lot more to prove before they take the leap from theory to viable currency.

TREND 6

Frictionless by design:

How self-service payments have reshaped the consumer experience

Several years into the self-service revolution, both consumers and business users expect to fly through transactions without a counterpart, using intuitive, self-directed tools—including payment prompts.

Some of the most extreme examples of self-service appear in some apparel stores with self-checkout stations. Shoppers remove the tags and drop garments into a bin, where the clothes are quickly scanned to generate a total. Then, after picking their preferred payment method, they can take their items home.[52]

In effect, this do-it-yourself approach to shopping and payment has become commonplace on mobile apps, at hospitality and restaurant venues, at stadiums or at busy travel hubs.

The same benefits apply on the back end, as businesses can generate real-time reports on transactions, terminals and stores through self-service merchant portals. Self-service now means low-touch, no-waiting commerce: It's commerce at the speed of now.

Driving the trend

What has accelerated this trend isn't just the consumer's ease of use and preference for low-friction interactions. It's good business.

Many self-service systems include smart nudges and prompts that encourage customers to spend more per transaction.[53] McDonald's reported a 20% increase in average order size after they introduced interactive kiosks.[54]

Self-service, unattended options in common areas like break rooms are also delivering strong performance. As opposed to vending machines, these micro markets typically get frequently restocked and allow shoppers to select items and check out at a payment kiosk. One car dealership refined the concept by replacing its traditional micro market with a smart store that included weighted-shelf technology and tracking cameras. Transaction values rose by more than 150%, while shrinkage dropped from 12% to zero.[55]

According to a 2024 analysis of these self-service locations, consumers spent nearly 27% more per transaction at micro markets and twice the number of average purchases at smart stores compared with traditional food and beverage vending machines.[56]

“It’s not just about empowering the end consumer, but also about empowering the merchants themselves for self-service.

Because of the success we’ve had in technology with AI, APIs and cloud, and demand for efficiency from both end customers and merchants, self-service is rapidly becoming the default expectation for how most business is done.”

Toby Brown
Global Head of Financial Services Solutions
Google Cloud

Confidence in technology

The overwhelming majority of merchants and leaders surveyed (83%) plan to significantly automate customer interactions through self-service platforms over the next two years.

But businesses face a key challenge in reaching that goal: ensuring that self-service payment systems are accessible to a wide range of consumers. Among small businesses in particular, there’s also an adoption curve. For technologies like self-checkout, self-service ordering kiosks and just-walk-out technology, small businesses lag their middle-sized and enterprise counterparts in implementing these technologies, according to leaders we surveyed.

These gaps in adoption reflect the realities of meeting consumer expectations. In a survey of more than 16,000 consumers and business buyers, 61% say they’d rather use self-service for simple issues, while 72% of respondents say they won’t reuse a company’s chatbot after just one negative experience.[57]

The human-free checkout: practical, data-driven and personalized

Picture a corner market in Jackson Heights, Queens—a New York City neighborhood where residents speak dozens of languages.[58] It's the type of place with a broad customer base that could benefit from technology that reduces communication barriers. This is just one practical feature of self-service payment kiosks, which can be programmed to offer multilingual support. In our survey, improving customer experience was the No. 1 business objective driving self-service technology (selected by 43% of respondents).

When we zoom out globally, it's clear which regions are most aggressively embracing self-service technology. Merchants across the Asia-Pacific region lead the way, thanks to rapid fintech innovation and consumer demand for frictionless payments.[59] Respondents in APAC (100%) and Europe (94%) are more likely to believe it is possible to significantly increase the automation of their customer interactions through self-service platforms in the coming two years, versus business leaders in North America (79%) and Latin America (38%).

Self-service payment systems can also offer businesses real-time visibility into buying trends and other metrics that matter to them. This technology can be a game changer for business areas such as professional services. In our survey, leaders in this industry more than any other say they're prioritizing investments in self-service platforms not only because of labor costs but also because of labor availability.

> **"Consider a setting like a dental clinic. Offering a self-service platform creates a far more efficient and friction-free mode of meeting customer expectations and needs. You do the scheduling there, the cancellation and rescheduling there, the check-in and confirmation there and the payment there. It's all prepopulated with your information. It saves time, there's less in-person work, less talking to a person. So now we're not just taking friction out of the payment, we're taking friction out of the entire experience."**

Laura Wallace
Executive Vice President and Head of Client Experience and Enablement Global Payments

A labor saver

Self-service payment systems are often seen as a solution to rising labor costs. By automating routine interactions, businesses can refocus employees on complex and creative customer-facing work.

But the road to implementation can be costly. These systems require investment in both infrastructure and ongoing technical support. Training also has to be prioritized, as staff need to be trained not just to use the systems but also to step in when things go wrong. For this reason, many businesses need to see meaningful labor savings from the systems; according to our survey, 63% of respondents said they would consider adoption only if annual labor cost reductions fell between 11% and 25%.

Merchants also have to contend with the potential of fraud and data breaches. Advances in chip technology and contactless payments have made transactions more secure. Still, unattended setups introduce risks, making signage and cameras essential parts of a security strategy.

In our survey, 86% of respondents say security and fraud prevention technology are important when choosing a payment technology partner, coming in second only to the availability of customer support.

Merchants recognize that implementing these safeguards will help them enable quick and secure payments. As confidence in the technologies grows, businesses can reap the long-term rewards of improved customer satisfaction.

Biometrics fuel the digital wallet takeover

With 97% of the world's point-of-sale terminals equipped to accept digital wallets, merchants increasingly are using the built-in biometric features of smartphones—including faces and fingerprints—to verify users in self-service transactions.[60]

These unique biometric markers are enabling faster checkouts, especially in environments where speed and convenience are crucial, such as retail and public transportation.

In Norway, a retail chain uses fingerprint scanners at self-checkout locations for age-restricted goods like alcohol and tobacco—allowing customers to skip the age verification step for subsequent purchases.[61]

The US casual dining chain Steak 'n Shake is installing biometric facial recognition across many of its locations, enabling check-in and payment in under three seconds.[62] Meanwhile, sports betting apps prioritize biometric logins to their platform not only to meet regulatory requirements but also to authenticate users for high-value transactions.[63]

Conclusion

One significant theme emerges as we review the trends affecting commerce and payments: Innovation has long-tail effects, and it can't always be known how certain improvements in the way people conduct business will affect future trends. Whether investment is led by enterprise-sized businesses or more centered among SMBs, transformation in commerce and payments does not follow a predictable path. The incremental gains produced by improvements in securing shopper identity, for example, are playing a major role in assuring a future for agentic commerce.

What's clear: Understanding these trends is an essential step in shaping them. Even if innovation in a specific payment technology is of little immediate relevance, it might turn out to be pivotal in a short period of time. It's doubtful that many SMBs paid close attention to fintech tools when they were first introduced—now, however, those tools and the wider array of embedded finance APIs are reshaping how SMBs can compete with businesses many times larger. That's how innovation in this space works, and the wisest approach accounts for the likelihood that every trend matters. If not now, then soon.

Methodology

The information in this report is derived from the following sources: In-depth interviews with subject matter experts from Global Payments, Amazon Web Services, Google Cloud, Mastercard and Visa. A global online survey was conducted in July and August 2025 and included 600 respondents comprising payment decision-makers and decision-influencers from SMBs, midmarket organizations, enterprises and multinationals in North America, Asia, Europe and Latin America. We also conducted additional research and analysis of publicly available data sources and industry thought leadership. References for publicly available information are provided.

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